# IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF IOWA CENTRAL DIVISION

NATALIE EMAMIAN,

Plaintiff,

VS.

ELECTRONIC DATA SYSTEMS CORPORATION,

Defendant.

No. 4-00-CV-20326

ORDER ON DEFENDANT'S AND PLAINTIFF'S MOTIONS FOR SUMMARY JUDGMENT

This matter comes before the court on Defendant's Motion for Summary Judgment, (Clerk's No. 18), and Plaintiff's Cross-Motion for Summary Judgment, (Clerk's No. 22). Plaintiff, Natalie Emamian (Emamian), claims she was denied severance pay under her employer's benefits plan in violation of the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. §§ 1001 - 1461 (1999); the Wage Payment Collection Act, Iowa Code Chapter 91A (1999); and Iowa common law. The parties consented to proceed before a United States Magistrate Judge under 28 U.S.C. § 636(c).

Defendant, Electronic Data Systems Corporation (EDS), moves for summary judgment on the basis that ERISA preempts Emamian's state law claims; Emamian failed to exhaust administrative remedies; the benefit plan's summary description fulfills all ERISA's disclosure requirements; and the plan administrator did not abuse his discretion in determining the benefits plan was not liable to Emamian for benefits.

EDS filed its Motion for Summary Judgment on May 23, 2001. Emamian filed her Resistance and Cross-Motion for Summary Judgment on June 15, 2001. EDS filed a Reply and Resistance on July 12, 2001. A hearing was held on July 19, 2001. This matter is fully submitted.

## I. STANDARD FOR SUMMARY JUDGMENT

A court shall grant a motion for summary judgment only if there is no genuine issue of material fact in dispute and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); *Celotex* 

Corp. v. Catrett, 477 U.S. 317, 322-23 (1986). A court must consider the facts and the inferences to be drawn from them in the light most favorable to the nonmoving party. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986).

To preclude the entry of summary judgment, the nonmovant must make a showing sufficient to establish the existence of every element essential to his case, and on which he has the burden of proof at trial. *Celotex*, 477 U.S. at 322-23; *Reed v. ULS Corp.*, 178 F.3d 988, 989 (8th Cir. 1999). When a motion is made and supported as required in Federal Rule of Civil Procedure 56(a), the adverse party may not rest upon the mere allegations or denials in his pleadings, but must set forth specific facts showing there is a genuine issue for trial. Fed. R. Civ. P. 56(e); *Celotex*, 477 U.S. at 324. At the summary judgment stage, the court may not make determinations about the credibility of witnesses or the weight of the evidence. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249 (1986).

#### II. MATERIAL FACTS NOT IN DISPUTE

Unless otherwise indicated, the following facts are either undisputed or viewed in the light most favorable to the non-moving party.

In 1995, Emamian started working as a part-time recruiter for Neodata, which EDS acquired on January 1, 1999. Emamian continued working for EDS as a part-time recruiter, partly because her job did not require travel.

On July 27, 1999, EDS adopted a Separation Pay Benefits Plan and Summary Plan Description (Plan and SPD), a single document that served as both "the plan document and the summary plan description, as such terms are defined under . . . ERISA." (Defs.' Ex. G at 2.) The combined Plan and SPD provided for severance pay for participants, including full pay and benefits for 60 days for employees who are involuntarily dismissed without cause.

In discussions in March and April 2000, EDS told Emamian that her future job duties would include travel three to four times yearly. Emamian said she was unwilling to travel because of family needs (her children, and a disabled parent living at her house). In the morning of April 14, 2000, Emamian had a telephone conversation with two supervisors. (Emamian Aff. at 93.) Emamian again said she would not

travel as part of her job. The supervisors told Emamian that because she refused to travel, she would have 30 days to find another job within EDS, or, if Emamian found no alternate job, she would be discharged. Emamian asked if she would be eligible for a severance package, but her supervisor indicated she would not because her job was not being eliminated.

In the afternoon of April 14, 2000, Emamian sent to her supervisor, and other supervisors, the following e-mail message:

I am still confused on some things regarding our conversation this morning. Travel has never been required of my job. If travel is now a requirement you have changed the description and function of my job. If my old job has been eliminated, I believe I have a right to sufficient notice and severence according to EDS policy....

I believe you will want to grant me all of the rights I have as an EDS employee. Please have someone from your Legal/Employee Relations Department contact me to explain all of this. I will seek appropriate counsel.

## Def.'s Ex. K.

On April 27, 2000, Emamian's attorney wrote to Nick Linn, EDS' manager of labor and employment, contending that Emamian was being fired due to corporate changes and a change in her job requirements and stating, "you are attempting to disqualify her from receiving the 60-day notice and severance package given others," and demanding such benefits. (Def.'s Ex. T.) Linn responded in a May 4, 2000, letter, as follows:

[Emamian] may be separated from EDS, but only because she has very clearly stated she is unwilling to comply with the travel requirements associated with her position. . . . Ms. Emamian was not pleased with the potential occasional travel requirement and made it very clear to her leadership team she was not willing to engage in any business travel. As a result, and given her stated refusal to travel, Ms. Emamian was advised she had thirty (30) days (through May 15, 2000) to secure another position with EDS. . . . [I]f Ms. Emamian is unable to secure an alternative position by May 15, she will be separated. In light of the above circumstances, however, Ms. Emamian is not eligible to receive separation benefits under EDS' Separation Pay and Benefits Plan. . . . Accordingly, EDS declines your client's request for any form of a separation package."

#### Def.'s Ex. U and V.

EDS considered Linn's May 4, 2000, to be a notice to Emamian of the decision to deny her

request for separation pay benefits. (Linn Aff. at 2.) The Plan and SPD describe the procedure EDS follows in giving notice of denial for a claim for separation pay benefits: If the claim is denied, "a written notice of the denial will be furnished to the claimant within thirty (30) days after the claim is filed. This notice will refer to the pertinent Plan provisions on which the denial is based." *Id.* at 4-5.

The May 4, 2000, notice of denial enclosed a copy of the Plan and SPD, which provided an appeals process for participants:

4.3 <u>Appeal of Denials of Separation Pay Benefits</u>. A Participant who receives notice of denial of separation pay benefits hereunder must appeal to the Committee in writing within sixty (60) days. If the Participant does not make his written appeal within sixty (60) days, the original decision of the Committee will become final.

# Def.'s Ex. G at 5.

Under the heading "ERISA Provisions," the Plan and SPD provide that, "Participants in the Plan are entitled to certain rights and protections." (Def.'s Ex. G at 6.) If a "Participant's claim for separation pay benefits is denied in whole or part," the "Participant then has the right to have the Committee review and reconsider his claim." *Id.* at 7. The Plan and SPD define "Participant" as "an Employee who is designated as a Participant pursuant to Section 2.1." *Id.* at 2. Section 2.1 states as follows:

- 2.1 <u>Eligibility to Participate in the Plan</u>. Employees of EDS shall be eligible to be designated as a Participant in the Plan effective July 25, 1999. The designation of an Employee as a Participant in the Plan will be made at the sole and absolute discretion of the Executive Vice President, Leadership and Change Management, or in the event such position is vacant or has been eliminated, other such individual(s) as the EDS Chief Executive Officer may designate in writing. No Employee will receive separation pay benefits unless so designated as a Participant.
  - (a) <u>Involuntary Separation</u>. Participants who are involuntarily separated from employment with EDS, other than for cause as defined below, shall be eligible to participate in the Plan and receive separation pay benefits. Involuntary separation from employment, other than for cause, for purposes of the Plan includes but is not limited to job elimination, staff reductions, terminations resulting from shifts in skill sets, or in instances where a Participant is offered reassignment to a new position within EDS and declines such reassignment if such position is located more than fifty (50) miles from Participant's current worksite location.
  - (b) <u>Involuntary Separation for Cause</u>. Participants who are involuntarily separated from employment with EDS for cause will not be eligible to participate

in the Plan and receive separation pay benefits. Involuntary separation from employment for cause for purposes of the Plan includes but is not limited to unsatisfactory job performance or violation of EDS policies, EDS Code of Conduct or other misconduct, as determined within the sole and absolute discretion of the Participant's leadership.

Def.'s Ex. G at 2-3.

On May 15, 2000, EDS fired Emamian, who still refused to travel and had not found another job at EDS. The company declined to pay Emamian severance benefits. Emamian requested and received unemployment compensation from Iowa Workforce Development (IWD). The IWD decisionmaker found no willful or deliberate misconduct by Emamian.

In the present action, Emamian asserts claims in the following counts: (I) breach of contract, in that EDS refused to pay Emamian separation benefits under the Plan and Emamian's employment terms were so significantly changed by EDS's travel requirement so as to constitute a cause for separation attributable to EDS, not Emamian; (II) breach of implied contract, where an implied contract arose from EDS' practice of giving full pay and benefits for 60 days to employees involuntarily dismissed without cause, and from Emamian's continued employment and reliance upon EDS' conduct; (III) violation of the Iowa Wage Claim Act through EDS's intentional refusal to tender severance pay; (IV) a disclosure violation of ERISA, based on the SPD's failure to identify circumstances that would result in ineligibility for benefits; and (V) violation of ERISA based on an arbitrary and capricious denial of benefits.

#### III. ANALYSIS

### A. Preemption of State Claims

EDS asserts that ERISA preempts Emamian's state law claims in Counts I through III.

Drafting ERISA's preemption clause in broad terms, Congress preempted "all State laws insofar as they may now or hereafter relate to any employee benefit plan." 29 U.S.C. § 1144(a); *Hull v. Fallon*, 188 F.3d 939, 942 (8th Cir. 1999), *cert. denied*, 528 U.S. 1189 (2000). This complete preemption limits claims and remedies exclusively to those ERISA provides in 29 U.S.C. § 1132(a). *Hull*, 188 F.3d at 942; *Cooper Tire & Rubber Co. v. St. Paul Fire and Marine Ins. Co.*, 48 F.3d 365, 368 (8th Cir. 1995).

Emamian argues that ERISA does not apply because the SPD did not sufficiently describe provisions relating to eligibility for participation as required by 29 C.F.R. § 2520.102-3(j).

ERISA requires that, "Every employee benefit plan shall be established and maintained pursuant to a written instrument." 29 U.S.C. § 1102(a). The statute further states, "A summary plan description of any employee benefit plan shall be furnished to participants and beneficiaries as provided in section 1024(b) of this title. 29 U.S.C. § 1022. ERISA has separate requirements for formal written plans, *see* 29 U.S.C. § 1102(b) (listing requisite features of plan), and SPD's, *see* 29 U.S.C. § 1102(b) (describing what SPD shall contain); *Maxa v. John Alden Life Ins. Co.*, 972 F.2d 980, 984 (8th Cir. 1992).

The record in this case indicates that EDS's formal written plan and the SPD were identical. *See* Def.'s Ex. G at 1 ("This document shall serve as both the plan document and the summary plan description, as such terms are defined under [ERISA]"); *see generally, Alday v. Container Corp. of America*, 906 F.2d 660, 662 n.2 (11th Cir. 1990) (noting that defendant's formal written plan document and the SPD were apparently identical). Emamian concedes, and the court agrees, that EDS's formal written plan meets the requirements for an ERISA plan. But Emamian argues that EDS's SPD does not meet ERISA's requirements for a SPD, and, therefore, ERISA does not apply and her state claims are not preempted.

For purposes of determining the preemption issue, the court need not decide whether EDS's SPD is faulty or does not qualify as a SPD under ERISA, the formal written plan controls. *Palmisano v. Allina Health Systems, Inc.*, 190 F.3d 881, 888 (8th Cir. 1999). The court therefore holds that Emamian's benefits claim is governed by ERISA's remedial provisions, which preempt her state law claims in Counts I through III. No material facts are in dispute, and EDS is entitled to summary judgment on this issue.

### **B.** Exhaustion

EDS next asserts that Emamian failed to exhaust her administrative remedies, and thus EDS is entitled to judgment as a matter of law on the ERISA claims. Emamian does not dispute the fact that she failed to exhaust her administrative remedies or that EDS is entitled to judgment as a matter of law on this

basis.

Whether exhaustion is necessary presents a question of law. *See Kinkead v. Southwestern Bell Corp. Sickness & Accident Disability Benefit Plan*, 111 F.3d 67, 70 (8th Cir. 1997) (stating the need to exhaust was question of contractual interpretation) (citing *Schneider Moving & Storage Co. v. Robbins*, 466 U.S. 364 (1984)).

Because Emamian probably gave EDS adequate notice of the claims she wished to pursue, and because, as explained below, the exhaustion issue does not affect the outcome, the court will bypass the issue and proceed to the merits.

## C. Disclosure Violation

Emamian claims she is entitled to relief because the SPD was vague and ambiguous in its explanation of the circumstances that would constitute ineligibility for separation benefits.

ERISA sets forth the following requirements for a SPD:

- (a) A summary plan description of any employee benefit plan shall be furnished to participants and beneficiaries as provided in section 1024(b) of this title. The summary plan description shall include the information described in subsection (b) of this section, shall be written in a manner calculated to be understood by the average plan participant, and shall be sufficiently accurate and comprehensive to reasonably apprise such participants and beneficiaries of their rights and obligations under the plan.
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- (b) The summary plan description shall contain the following information: . . . the plan's requirements respecting eligibility for participation and benefits; . . . circumstances which may result in disqualification, ineligibility, or denial or loss of benefits . . . .

# 29 U.S.C.§ 1022(a), (b).

To get "relief on the basis of a faulty summary plan description, the claimant must show some significant reliance on, or possible prejudice flowing from the summary." *Palsmisano*, 190 F.3d at 887-88; *Dodson v. Woodmen of the World Life Ins. Soc.*, 109 F.3d 436, 439 (8th Cir. 1997) (holding facts showed plaintiff was prejudiced by SPD's omission of time limit for filing benefits claim, in that plaintiff read the SPD and would have had the opportunity to timely file or otherwise preserve his benefits).

EDS asserts that Emamian has not shown any evidence of significant reliance on, or possible

prejudice flowing from the SPD. The court agrees. Evidence of detrimental reliance "must show that plaintiffs took action, resulting in some detriment, that they would not [otherwise] have taken." *Anderson v. Alpha Portland Indus., Inc.*, 836 F.2d 1512, 1520 (8th Cir. 1988) (holding it would be improper to infer that plaintiffs relied to their detriment on SPD, absent any evidence of reliance) (insert in original); *compare Monson v. Century Mfg. Co.*, 739 F.2d 1293 (8th Cir. 1984) (holding facts supported inference of reliance, when defendants made countless representations that profit sharing programprovided strong incentive for employees to do extra work and stay with company), *abrogated on other grounds*, *Massachusetts Mutual Life Ins. Co. v. Russell*, 473 U.S. 134 (1985). Although Emamian contends she relied on her eligibility to receive severance benefits, she has pointed to no evidence showing reliance or supporting an inference of reliance. Likewise, Emamian has pointed to no evidence of prejudice.

The material facts are undisputed, and the court holds that EDS is entitled to summary judgment on this claim.

#### **D.** Denial of Benefits

## 1. Standard of Review

A court reviewing an ERISA plan administrator's decision denying benefits should apply a de novo standard of review, unless the plan gives the administrator discretionary authority to determine eligibility for benefits and construe the plan's terms. *Firestone Tire & Rubber Co. v. Bruch*, 489 U.S. 101, 115 (1989); *Donaho v. FMC Corp.*, 74 F.3d 894, 899 (8th Cir. 1996). If a plan gives the administrator discretionary authority, then a court ordinarily should review a plan administrator's decision under the abuse-of-discretion standard. *Bruch*, 489 U.S. at 115; *Delta Family-Care Disability and Survivorship Plan v. Marshall*, 258 F.3d 834, 840 (8th Cir. 2001); *Donaho*, 744 F.3d at 898.

Under an exception, a less deferential, "sliding-scale" standard of review applies when "material, probative evidence" demonstrates that (1) a palpable conflict of interest or serious procedural irregularity existed, which (2) caused a serious breach of the plan administrator's fiduciary duty to [the claimant]." *Clapp v. Citibank, N.A. Disability Plan (501)*, No. 00-3838WM, 2001 WL 946559, at \*5 (8th Cir. Aug. 22, 2001) (citing *Barnhardt v. UNUM Life Ins. Co. of America*, 179 F.3d 583, 588 (8th Cir.

1999)) (alteration in original); Woo v. Deluxe Corp., 144 F.3d 1157, 1160 (8th Cir. 1998).

The "sliding scale" standard requires application of an abuse of discretion analysis, with decreased deference given to the administrator in proportion to the seriousness of the conflict of interest or procedural irregularity. *Woo*, 144 F.3d at 1161. The plaintiff must show that the conflict or procedural irregularity has a connection to the substantive decision reached. *Clapp*, No. 00-3838WM, 2001 WL 946559, at \*5; *Woo*, 144 F.3d at 1161.

Emamian does not dispute that the Plan contains the discretionary language necessary to call for use of the abuse-of-discretion standard, but she asserts that the court should apply the less differential, *Woo* "sliding-scale" standard of review. She argues that a conflict of interest exists in benefits determinations, because an EDS corporate officer serves as Plan administrator and the Plan is unfunded, which means benefits are paid directly from EDS' earnings rather than from salary withholdings.

The fact that the plan administrator is also the self-insured provider of benefits does not automatically give rise to a conflict of interest. *Davolt v. The Executive Comm. of O'Reilly Automotive*, 206 F.3d 806, 809 (8th Cir. 2000); *see Woo*, 144 F.3d at 1161 n.2 (noting not every funding conflict of interest per se warrants heightened review). ERISA provides that employers may appoint their own officers to administer ERISA plans even when the employer is a "party in interest." 29 U.S.C. § 1108(c)(3); *Chalmers v. Quaker Oats Co.*, 61 F.3d 1340, 1344 (7th Cir. 1995).

In cases where the plan administrator is also the self-insured provider of benefits, courts have determined that no conflict of interest existed when, absent other evidence indicating a conflict, the amount of the benefits claim would have a minimal financial impact on the company, and when long-term business concerns would encourage the company to make its benefits determinations fairly and consistently.

<sup>&</sup>lt;sup>1</sup> Section 4.1 of the Plan and SPD expressly states, "The Committee is the administrator of the Plan and has sole and absolute power and discretion to interpret and construe the terms and provisions of the Plan," and, "except as otherwise set forth in the Plan, such power and discretion shall include but not be limited to the authority to determine eligibility for participation in the Plan and the receipt of separation pay benefits under the Plan." (Def.'s Ex. G at 4.)

Chalmers, 61 F.3d at 1344 (finding no conflict of interest existed when corporate officer who administered unfunded company-sponsored benefits plan was confronted with relatively small (\$240,000) claim for severance benefits, when making practice of resisting benefits claims would be poor business decision, and when administrator had no pattern of refusing to pay severance benefits) (cited with approval by Farley v. Arkansas Blue Cross and Blue Shield, 147 F.3d 774, 777 (8th Cir. 1998) (finding no palpable conflict of interest even though Blue Cross was both administrator and insurer of plan, when it was a non-profit corporation)); Lawyer v. Hartford Life and Acc. Ins. Co., 100 F. Supp. 2d 1001, 1009-10 (W.D. Mo. 2000) (stating minimal financial impact of benefits claim militated against a conflict-of-interest finding, when, at most, plan administrator and benefits payor would have been liable for total of \$65,000 in benefits paid over a 10-year period, and company's long-term business goals would be ill-served by routine denial of valid claims).

EDS states that its financial stake as benefits payor was minimal, because if Emamian were eligible for separation pay benefits, the amount would be only \$1,690, representing four weeks of pay. EDS further contends that its long-term goals would be undermined by routine denial of valid claims for separation pay benefits, and that this ameliorating fact dispels any presumption of a palpable conflict of interest.

Emamian has produced no evidence of a conflict of interest beyond the fact that an EDS officer administers the unfunded Plan. Emamian does not claim that EDS had a pattern of refusing to pay severance benefits. On the contrary, she asserts that the company had determined that several other employees were eligible for severance pay. Given the low amount of Emamian's claim, and EDS's long-term business interest in determining claims fairly and consistently, and construing the undisputed facts in the light most favorable to Emamian, the court holds that insufficient evidence exists to support a finding of a conflict of interest.

<sup>&</sup>lt;sup>2</sup> Emamian does not dispute the \$1,690 figure, but the court notes that in her complaint, Emamian sought severance pay covering 60 days. For purposes of the court's analysis, the result would be the same if the amount were based on 60 days rather than four weeks of pay.

Accordingly, the court will apply the abuse-of-discretion standard warranted by the Plan's language.

## 2. Application of Abuse-of-Discretion Standard

In determining whether EDS abused its discretion, the court asks whether the decision to deny Emamian benefits was supported by substantial evidence, which means more than a scintilla but less that a preponderance. *See Schatz v. Mutual of Omaha Ins. Co.*, 220 F.3d 944, 949 (8th Cir. 2000) (citing *Donaho*, 74 F.3d at 898-901). If the decision "is supported by a reasonable explanation, it should not be disturbed, even though a different reasonable interpretation could have been made." *Schatz*, 220 F.3d at 949 (quoting *Cash v. Wal-Mart Group Health Plan*, 107 F.3d 637, 641 (8th Cir. 1997), and citing *Donaho*, 74 F.3d at 899 (plan administrator's decision "is reasonable if a reasonable person *could* have reached a similar decision, given the evidence before him, not that a reasonable person *would* have reached that decision") (emphasis in original)). A court will affirm an administrator's reasonable interpretation of a plan. *Cox v. Mid-America Dairymen, Inc.*, 13 F.3d 272, 274 (8th Cir. 1993); *Finley v. Special Agents Mut. Ben. Ass'n, Inc.*, 957 F.2d 617, 621 (8th Cir. 1992).

Here, EDS determined that Emamian's involuntary separation because she refused to travel involved separation for cause within the meaning of the involuntary-separation-for-cause provision in the Plan and SPD.

In determining whether a committee's plan interpretation is reasonable, the Eighth Circuit uses the five-factor test outlined in *Finley*: (1) whether the administrator's interpretation is consistent with the goals of the plan; (2) whether the interpretation renders any language in the plan meaningless or internally inconsistent; (3) whether the administrator's interpretation conflicts with the substantive or procedural requirements of the ERISA statute; (4) whether the administrator has interpreted the relevant terms consistently; and (5) whether the interpretation is contrary to the clear language of the plan. *Finley*, 957 F.2d at 62; *see Cash*, 107 F.3d at 641; *Buttram v. Central States, S.E. & S.W. Areas Health & Welfare Fund*, 76 F.3d 896, 901 (8th Cir. 1996).

The court cannot substitute its own weighing of the conflicting evidence for that of the plan

administrator. Cash, 107 F.3d at 641; Cox, 965 F.2d 569, 573 (8th Cir. 1992).

The court turns to the first *Finley* factor: whether the administrator's interpretation was consistent with the Plan's goals. EDS maintains the Plan "to provide separation pay benefits to eligible employees of EDS and certain affiliates of EDS as designated by EDS . . . in anticipation of their termination of employment from EDS or affiliates." (Def.'s Ex. G at 2.) In Section 2.1(a), the Plan and SPD define eligibility in terms of involuntary separation, other than for cause as defined in Section 2.1(b). *Id.* at 2. Involuntary separation includes, but is not limited to, "job elimination, staff reductions, termination resulting from shifts in skill sets, or in instances where a Participant is offered reassignment to a new position within EDS and declines such reassignment if such position is located more than fifty (50) miles from Participant's current worksite location." *Id.* at 2-3. Involuntary separation for cause includes, but is not limited to, "unsatisfactory job performance or violation of EDS policies, EDS Code of Conduct or other misconduct, as determined within the sole and absolute discretion of the Participant's leadership." *Id.* at 3. The obvious purpose of the involuntary-separation-for-cause provision is to insure the actuarial soundness of the Plan. *See Cash*, 107 F.3d at 643. The court concludes the administrator's interpretation was consistent with the Plan's goals.

Examining the second and third *Finley* factors, the court notes that no case law or evidence indicates that EDS' interpretation of the involuntary-separation and involuntary-separation-for-cause provisions conflicted with ERISA's requirements or rendered any Plan language meaningless or internally inconsistent. These factors do not weigh against the administrator's interpretation of the Plan.

Relevant to the fourth *Finley* factor, whether EDS has interpreted the words at issue consistently, Emamian asserts that EDS was inconsistent, in that the company provided separation pay benefits to other employees under circumstances that she claims were similar to hers. Emamian does not, however, provide any evidence that these employees were similarly situated to her, either in regards to refusal to travel, or in any other way. Finally, under the fifth *Finley* factor, the court notes that EDS's interpretation is not contrary to the clear language of Sections 2.1(a) and (b) or any other Plan provisions.

Viewing the facts in the light most favorable to Emamian, the court holds that EDS's interpretation

of the Plan was reasonable, and therefore EDS did not abuse its discretion in denying Emamian separation pay benefits. No material question of fact exists, and EDS is entitled to summary judgment on this claim.<sup>3</sup>

## IV. CONCLUSION

For the reasons discussed above, the court holds that ERISA's remedial provisions govern Emamian' benefits claim, and therefore ERISA preempts Emamian's state law claims in Counts I, II and III. Viewing the facts in the light most favorable to Emamian, no material question of fact remains and EDS is entitled to judgement as a matter of law on Count IV for an ERISA disclosure violation, because Emamian has shown no significant reliance on, or possible prejudice flowing from the SPD. Viewing the facts in the light most favorable to Emamian, no material question of fact remains and EDS is entitled to judgement as a matter of law on Count V for denial of benefits under ERISA, because EDS did not abuse its discretion in denying separation pay benefits to Emamian. Defendant's Motion for Summary Judgment (Clerk's No. 18) is **granted**. Plaintiff's Cross-Motion for Summary Judgment (Clerk's No. 22) is **denied**. Emamian's claims are dismissed.

The Final Pretrial Conference set for September 25, 2001, is canceled and the trial set for October 9, 2001, is canceled.

IT IS SO ORDERED.

Dated this \_\_\_\_\_ day of September, 2001.

CELESTE F. BREMER
UNITED STATES MAGISTRATE JUDGE

 $<sup>^3</sup>$  Considering the nature of the alleged conflict of interest, as discussed above, the result would be the same under the Woo "sliding-scale."